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# Spotlight ON FOREIGN MARKETING



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TO U.S. AGRICULTURAL ATTACHES AND FAS STAFF MEMBERS

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DUTCH HOUSEWIVES ARE BUYING U. S. TURKEYS on the open market for the first time, according to Robert Reed, U. S. agricultural attache, and representatives of the U. S. poultry industry.

The assurance of high quality and wholesome poultry is opening a new market in the Netherlands which promises to grow steadily through the years.

The Bijenkorf (Beehive), one of the largest merchandising firms in the Netherlands, began selling U. S. frozen turkeys in October. The firm operates in Amsterdam, Rotterdam and The Hague. Sales of meaty, ready-to-cook birds are aided by colorful promotional materials supplied by the National Turkey Federation, Poultry and Egg National Board and Institute of American Poultry Industries. All are members of the International Trade Development Committee.

Although the Dutch are the world's largest exporters of poultry meat, the birds are largely the by-product of their egg laying industry. The Dutch housewife is not familiar with broadbreasted turkeys and chickens especially grown for meat. Many housewives are being introduced for the first time to the ready-to-cook products.

The U. S. representatives are watching with interest the rapid increase of freezer cabinets in the Netherlands. Where 10 years ago there were only a few scattered stores with freezing cabinets, more than 8,000 stores are now equipped with them. The increase is at a rate of 250 and 300 a month, all in the residential areas of higher income families.

U. S. TUNG OIL TO BE OFFERED FOR EXPORT. On November 18 the Department announced that the 1956 and 1957 tung oil in CCC inventory would be offered for sale for export only. The first bids are expected to be received December 1. It is contemplated that specific quantities of oil will be offered every two weeks thereafter as long as there appears to be any market interest. The world market is currently around 10 to 11 cents a pound while new crop oil is being offered at around 21 cents for domestic use.

WEST GERMANY ALLOWS U. S. POPCORN TENDER. West Germany has issued a tender for the purchase of 1,000 metric tons of popcorn from the U. S. This is believed to be the first such tender issued. In West Germany popcorn is mostly offered as a specialty at fairs, markets and other public gatherings.



ROTISSERIES BOOST SALES OF POULTRY IN SUPERMARKETS. Sight and smell are being put to good advantage in many U. S. supermarkets to help boost sales of poultry. For the last two years rotisseries have been added to hundreds of stores to call attention to poultry as a "good buy" and a flavorful addition to family menus. The sales idea is working well. Not only has a new market been created for hot, barbecued chickens for working couples and busy families, but this technique has helped boost sales of all cut-up broilers and fryers.

One large supermarket chain in the Washington, D. C., area claims that as many as 400 barbecued birds are sold on a single weekend. The chickens weigh a uniform 2-1/4 lbs. and sell at \$1.39 each. Price of fresh cut-up broilers and fryers fluctuate from .29¢ to .43¢ per lb.

Rotisseries are also being used as an attention getter in self-service markets abroad. Reports on the success of the idea have come from Switzerland, Brazil and Peru. It is suggested that the word be spread to other areas of the world where the self-service idea is growing, especially where there is an interest in increasing poultry sales.

JAPANESE CIGARETTE SMOKERS KEEP UP WITH U. S. CONSUMER HABITS. The Monopoly Corporation, which manufactures all Japanese tobacco products, is doing its best to bring new U. S. cigarette innovations to its consumers. Such items as "King Size, Filter Tips and Menthol" are being added to new brands. But most important ingredient being "added" to these new brands is the inclusion of quantities of U. S. leaf.

FAS market development projects account for much of the success in promoting new brands and types of cigarettes in Japan. The sales of "Peace" cigarettes (containing some U. S. leaf) is still an excellent example of this promotional work. Sales of "Peace" rose from 2 billion cigarettes in January-March, 1957, to 2.4 billion during the same period this year.

CCC MONTHLY SALES LIST FOR DECEMBER 1958. Butter, nonfat dry milk, cotton (upland and extra long staple), peanuts, corn, wheat, oats, barley, rye, grain sorghums, soybeans, rice (rough and milled), gum rosin, gum turpentine, burley tobacco, and tung oil.

Principal change in the list this month is the dropping of cheddar cheese, all remaining stocks of which have been sold or committed for other program use. All sales of dairy products in December and succeeding months will be made under a new Announcement LD-29, which replaced Announcement LD-26 as of Nov. 24.

All commodities currently offered for sale by CCC, plus tobacco from CCC loan stocks, are eligible for export sale under the CCC Export Credit Sales program. The following commodities are currently eligible for barter: Cotton, tobacco, rice (limited quantities), wheat, corn, oats, barley, grain sorghum, soybeans, butter, and nonfat dry milk.

Interest rates per annum under the CCC Export Credit Sales program for December 1958 are 3-5/8 percent for periods up to six months, 4-1/8 percent for periods from over six and up to 18 months, and 4-5/8 percent for periods from over 18 months up to a maximum of 36 months.

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CCC WILL NOT ADD CARRYING CHARGES UNDER 1958-59 COTTON EXPORT PROGRAM. The U. S. Department of Agriculture announced October 28, 1958 that carrying charges will not be added during this marketing year in determining acceptable sales prices under the Cotton Export Sales Program.

During the 1956-57 and 1957-58 cotton marketing years, beginning in November, carrying charges were added in determining the minimum prices at which CCC stocks were sold under the cotton export programs. These charges were 25 points for November sales and increased 15 points per month reaching 145 points in July the end of the marketing year. (100 points equals one cent).

The determination not to add carrying charges during the 1958-59 marketing year was made after a careful review of the current cotton situation, including prospective production in the United States and foreign countries, level of activity in the textile industry at home and abroad, anticipated disappearance of cotton this year, and the level of prices in domestic and world markets.

PAYMENT IN KIND EXPORT PROGRAM TO INCLUDE RICE. Beginning December 15, rice will be added to the list of crops for which a payment-in-kind export program is in effect, the Department of Agriculture has announced. This type of program -- already in effect for wheat, feed grains, and cotton -- is designed to encourage the movement of new crop rice into export from commercial stocks rather than from Government stocks. This should reduce the amount of rice taken over under the price-support program.

Under the revised rice export program, exporters will be issued a payment-in-kind certificate, which will be redeemable in rough rice or in stocks of five grains -- barley, corn, grain sorghums, oats, and rye -- available in the Commodity Credit Corporation inventory.

Details of the program will be announced later. When the payment-in-kind program becomes effective for rice, USDA will discontinue sales of rice from CCC stocks for export, except under barter contracts, CCC credit programs, and emergency conditions. The rice donation program will be continued.

COTTONSEED PRICE SUPPORT PROGRAM IN OPERATION. The Department announced on October 22 a plan for making effective the cottonseed price support program in certain areas of Texas, New Mexico and Oklahoma in order to insure payment to producers of prices equal at least to announced support level. Bids were requested from cottonseed crushers to be submitted October 27 and again on October 31 under which the crusher would pay the support price for cottonseed to eligible growers and would offer to deliver a quantity of oil to Commodity Credit Corporation. Offers were accepted for the oil from a maximum of about 1,000,000 tons of cottonseed at a price of 11 cents per pound basis prime crude oil. The crusher operating under the program reports to CCC, each Monday, the quantity of cottonseed he has acquired under the program for the previous week. He is then obligated to deliver the oil from this quantity of seed. It is not known how much oil CCC will finally acquire this season since the crusher may elect to sell all the products in the open market and not report his seed purchases. The program does insure a minimum market price for such oil produced by the crusher as may be covered by the bid and his report of seed purchases.



TABLE I, GUIDE TO COMMERCIAL SALES

Commodity	Unit	Grade, Type or Variety	Location	Latest Price Week of 11/21/58	Price Year Earlier
Wheat 1/	Bushel	#2 H. W.	Galveston	\$2.26-2.38	\$2.35-2.45
" 2/	"	#1 S. W.	Portland	2.04-2.05	2.33
" 3/	"	#2 S. R. W.	Baltimore	2.13-2.14	2.31
Barley 4/	"	#3 Feed	Baltimore	1.3175	--
"	"	"	New Orleans	1.3575	--
"	"	#2 Western	San Francisco	1.26875	--
Corn 4/	"	#2 Yellow	Baltimore	1.3625	--
"	"	"	New Orleans	1.2850	--
Grain Sorghums	4/Cwt.	#2 Yellow Milo	Gulf	2.24375	--
Oats 4/	Bushels	#2 White	Baltimore	.8325	--
"	"	"	New Orleans	.83	--
Pea Beans	Cwt.	#1	FAS East Cst.	7.70	--
Pinto Beans	Cwt.	#1 Pinto	FAS Gulf	7.30	--
Great Northern	Cwt.	#1	FAS West Cst.	7.60	--
Cottonseed Oil	Pound	B. P. S. Y.	Dec. Fut. N. Y.	.1341	.1671-.1675
Soybean Oil	"	Refined	New York	.1262	.1500
Cottonseed Oil	"	Crude	Valley	.1112	.1425
Soybean Oil	"	Crude	Decatur, Ill.	.1038-.1050	.1175
Linseed Oil	"	Raw	Minneapolis	.1300	.1480
Lard	"	Refined 50# tin	Chicago	.12625	.1350
Tallow	"	Prime Inedible	Chicago-FOB	.07625	.0775
Greases	"	Choice White	" "	.07875	.0800
Soybeans	Bushel	#1	Chicago	2.15-2.16	2.30
Cottonseed Meal	Sh. Tn.	41% Bagged	Memphis	62.00	54.00
Soybean Meal	" "	44% Bagged	Decatur	61.00	50.00
Milk, Evap.	Case	48-14 1/2 oz.	Pac. Cst. Mkts.	6.10-6.60	5.95-6.60
Eggs, Shell	Doz. Med.	Mixed colors	New York	.3400-.3450	.4200-.4300
" Dried	Pound	Whole	" "	1.17-1.30	1.25-1.31
Beef Trimmings	"	75-85% lean froz.	Chicago	.3800	.3100
Beef Hearts	"	Regular Frozen	"	.2700	.1750
Beef Livers	"	" "	"	.2550	.1600
Pork Trimmings	"	" "	"	.1850	.1800
Chicken, R. C.	"	Gr. A Broilers	New York	.2500-.2800	.2800-.3200
Turkey, R. C.	"	Gr. A Beltsville	" "	.4300-.4400	.4550-.4600
Canned Apricots	Doz. #2-1/2	Choice Halves	FOB-Calif.	3.90	3.075
" Peaches	Doz. "	" "	" "	2.80	2.35-2.40
" Pears	" "	" "	" "	3.60	3.25
Grapefruit Secs.	Doz. #303	Fancy, Lt. syrup	FOB-Florida	1.75	1.60
Orange Juice	Doz. 46 oz.	Sweetened	" "	--	2.30
Raisins	Lb. Bulk	Natl. Thompson	FAS-Calif.	.27	.175
Lemons, Fresh	Std. Ctn.		FOB-Calif.	2.61	2.98
Apples	Box	Ex. Fcy. 138&lgr.	FOB-Washington	3.10-3.25	4.40-4.50

1/ Export payment all destinations except Latin America and West Indies, \$.52; to Latin America and West Indies, \$.49. 2/ Export payment - all destinations, \$.41.  
 3/ Export Payment - all destinations \$.52 4/ Export payment accepted by CCC for Nov.-December shipment: barley, \$.16; corn, \$.04; grain sorghums, \$.34; Oats, \$.12.

TABLE II, CCC PORT PRICES FOR EXPORT

Commodity	Unit	Grade, Type or Variety	Port Location	Latest Price	Date of Sales 1958
Rice	Cwt.	Rough	In store producing area	\$3.18-3.88	Nov. 17-21
"	"	Milled	"	6.761	"
Butter	Pound		Any U. S. Port	.39 (fixed)	"
Milk	Pound	Spray	" " "	.099 (fixed)	"
Cheese	"	Cheddar	" " "	.22 (fixed)	"
Cotton	"	Upland	Any U. S. Port and Storage Location	.2872	"

## PROCEDURES FOR APPEAL GRADE AND PROTEIN CERTIFICATION FOR GRAIN EXPORTS

There is a growing interest in the procedure for obtaining Federal Appeal Grade Certificates on grain exported from the United States. Initially, grain inspection is performed by inspectors licensed by the U. S. Secretary of Agriculture. Samples are drawn for this purpose by the inspector or other persons designated by him.

However, for appeal inspection and grade certification, samples are drawn by authorized employees of Agricultural Marketing Service during the entire process of loading. Grain inspection supervisors of AMS then determine the appeal grade of the grain on the basis of the official samples, and issue Federal Appeal Grade Certificates which supersede the certificate issued by the licensee.

In countries where dissatisfaction with the grade has arisen, some importers are considering asking for Federal appeal certification at the time they order, specifying maximum moisture within the grade called for. In addition, they plan to specify minimum protein content in deliveries of such wheat, and to request a Federal Certificate of protein as evidence. Others are demanding a minimum protein outturn guarantee, specifying a contract discount if protein determination destinations is below that ordered.

The procedure in obtaining Federal appeal grade and/or protein certification, based on official AMS samples, is to notify the Director, Grain Division, Agricultural Marketing Service, Washington 25, D. C., at least 48 hours in advance, giving port, name of ship and loading date.

The new fees for Federal certification are as follows:

### APPEAL GRADE CERTIFICATION

\$2.00 per 1,000 bu. (\$5.00 minimum)  
\$5.80 per man hour of overtime, night, or holiday work.

### PROTEIN CERTIFICATION, Per Sample

Protein and moisture test	\$ 5.25
Preparation of sample	6.00
Total	<u>\$ 11.25*</u>

(\*Previous total in SPOTLIGHT Supplement No. 8, 7/26/57, was 50¢ less. Check this supplement for other pertinent details).

Federal protein tests and certification will be based on the following:

1. Sample or samples used by licensed inspectors in grading the wheat,  
or
2. Sample or samples used by Grain Inspection Supervisors in  
determining the appeal grade of the wheat.
3. In the absence of an appeal, and upon request of the interested  
party, a sample or samples will be drawn by authorized AMS  
employees solely for purposes of protein tests.

In Nos. 1 and 2 the fees and charges for protein tests will be as stated above, but in No. 3 there will be added to the protein certification fee the cost of sampling at \$4.50 per hour, except at \$5.50 per hour for overtime. Appropriate statements will appear on certificates issued to indicate the source of the sample or samples used for the protein tests.

REFERENCES: Grain Appeal Fees and Overtime Charges Effective September 29, 1958 (Federal Register of September 12, 1958).

Part 68-Regulations and Standards for Inspection and Certification of Certain Agricultural Commodities and Products Thereof. Schedule of Fees and Charges for Certain Services (Federal Register of July 1, 1958).